

**LEMON GROVE CITY COUNCIL  
AGENDA ITEM SUMMARY**

**Item No.** Item 3  
**Mtg. Date** November 20, 2018  
**Dept.** Public Works

**Item Title:** **Public Hearing to Consider an Amendment to the Transnet Local Street Improvement Program of Projects for FY 2019-23**

**Staff Contact:** Molly Brennan, Finance Manager & Mike James, Assistant City Manager / Public Works Director

**Recommendation:**

Conduct a public hearing and adopt a resolution (**Attachment B**) approving an amendment to the Transnet Local Street Improvement Program of Projects for Fiscal Years 2019 through 2023.

**Item Summary:**

On November 4, 2004, the voters of San Diego County approved the San Diego Transportation Improvement Program Ordinance and Expenditure Plan (TransNet Extension Ordinance). The TransNet Extension Ordinance provides that SANDAG shall approve on a biennial basis a multi-year program of projects submitted by local jurisdictions, identifying those transportation projects eligible to use transportation sales tax (TransNet) funds.

On March 20, 2018, the City Council approved the TransNet Local Street Improvement Program of Projects for Fiscal Years 2019 through 2023. Since then, staff reviewed the 2018 RTIP TransNet expenditure plan and found it to be out of compliance with Section 2(C)(1) of the Transnet Extension Ordinance, which limits spending on preventative maintenance to 30% or less of total Transnet revenue. The staff report (**Attachment A**) details the amounts and projects that will be amended to reallocate funding between congestion relief and preventative maintenance projects. If the City Council adopts the resolution (**Attachment B**), the changes will be forwarded to the SANDAG Board of Directors for approval as a part of Amendment No. 1 (18-1) of the SANDAG TransNet Local Street Improvement Program of Projects for Fiscal Years 2019 through 2023.

**Fiscal Impact:**

None at this time. If the resolution is approved by the City Council and SANDAG Board of Directors, the amounts will be updated by the Finance Department in the FY 2018-19 budget.

**Environmental Review:**

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Not subject to review        | <input type="checkbox"/> Negative Declaration           |
| <input type="checkbox"/> Categorical Exemption, Section [      ] | <input type="checkbox"/> Mitigated Negative Declaration |

**Public Information:**

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> None   | <input type="checkbox"/> Newsletter article | <input type="checkbox"/> Notice to property owners within 300 ft. |
| <input checked="" type="checkbox"/> Notice published in local newspaper |   | <input type="checkbox"/> Neighborhood meeting                     |

**Attachments:**

- |                 |               |
|-----------------|---------------|
| A. Staff Report | B. Resolution |
|-----------------|---------------|



## LEMON GROVE CITY COUNCIL STAFF REPORT

Item No. Item 3

Mtg. Date November 20, 2018

Item Title: **Public Hearing to Consider an Amendment to the Transnet Local Street Improvement Program of Projects for FY 2019-21**

Staff Contact: Molly Brennan, Finance Manager & Mike James, Assistant City Manager / Public Works Director

### Background:

On November 4, 2004, the voters of San Diego County approved the San Diego Transportation Improvement Program Ordinance and Expenditure Plan (TransNet Extension Ordinance). The TransNet Extension Ordinance provides that SANDAG shall approve, on a biennial basis, a multi-year program of projects submitted by local jurisdictions that identifies those transportation projects eligible to use transportation sales tax (TransNet) funds.

As a quick summary, the Public Works Department and Engineering Division utilize TransNet funds to support the Capital Improvement Program (CIP) and on-going maintenance projects throughout the City. TransNet funds are programmed to congestion relief or maintenance related projects that impact city streets, city storm drain or traffic projects.

Per TransNet Ordinance (Section 6) each entity that receives and programs TransNet funds must hold a public hearing for amendments to the TransNet Program of Project 2018 RTIP adoption. The resolution (**Attachment B**) is a standard SANDAG template that is required to be adopted to meet the public hearing process to submit the final resolution to SANDAG before November 30, 2018. The amendment will be presented to the SANDAG Transportation Committee on January 18, 2019. The City's program is shown in **Attachment B – Exhibit 1**. The details of the projects are further explained in the remaining portion of this report.

### Discussion:

On March 20, 2018, the City Council approved the TransNet Local Street Improvement Program of Projects for Fiscal Years 2019 through 2023. Since that time, staff has reviewed the 2018 RTIP TransNet expenditure plan and found it to be out of compliance with Section 2(C)(1) of the TransNet Extension Ordinance, which limits spending on preventative maintenance projects to 30% or less of total annual TransNet revenue.

The original approved 2018 RTIP allocated 64% of the FY2018-19 funding for congestion relief projects and 36% of funding for preventative maintenance projects. To be in compliance with Section 2(C)(1) of the TransNet Extension Ordinance, the City needs to spend a minimum of 70% of annual TransNet funding on congestion relief projects and a maximum of 30% on preventative maintenance projects. If the City remains out of compliance, there is a risk of losing all future TransNet funding until the program comes back into compliance. If adopted, the proposed amendment will not impact the available TransNet funds, but will reallocate a portion of funds from preventative maintenance projects to congestion relief projects.

In addition, staff found that the TransNet Extension Ordinance Regional Transportation Congestion Improvement Plan (RTCIP) fees programmed to be spent on the Lemon Grove Realignment project in March 2018, now requires an amendment to re-open project LG13 (LG Realignment) in order for the City to expend the funds in FY2018-19. The adopted 2018 RTIP did

# Attachment A

not include LG 13, so the project has been closed and cannot track further activity without being re-opened through this amendment. Previously, the City had programmed \$563,216 of collected RTCIP fees to be spent on the Lemon Grove Realignment. Since that point in time, the City has collected an additional \$59,374 in RTCIP fees and staff recommends increasing the RTCIP programmed to LG13 to include the additional revenue collected, for a total of \$622,590. This amount was already included in the adopted FY2018-19 budget (Fund 27) and in the Lemon Grove Realignment project report to Council in October 2018. In order for the City to expend the RTCIP funds on the Lemon Grove Realignment project in FY2018-19, the amendment asks SANDAG to re-open the LG13 project for this purpose.

The RTCIP fee is a transportation mitigation fee collected by local jurisdictions to fund improvements to the regional arterial system. The fee is collected prior to issuance of building permits for new residential housing units. Although both RTIP and RTCIP are related to TransNet and overseen by SANDAG, the \$622,590 represents revenue the City already has on hand, unlike the TransNet RTIP funding which is provided on a reimbursement basis.

Staff created the table below to show what was originally programmed in the 2018 RTIP and what the new programmed amounts will equal if the amendment is approved by both the City Council and the SANDAG District Board. As a budgetary procedural step, if both governing bodies approve the amendment, staff requests that the City Council authorize the City Manager or her designee to make the budget adjustments to the FY 2018-19 budget document.

|      | <b>Congestion Relief (CR):</b>        | Original<br>2018 RTIP | Amended<br>2018 RTIP |
|------|---------------------------------------|-----------------------|----------------------|
| LG16 | Storm Drain Rehabilitation - CR       | 14,000                | 14,000               |
| LG18 | Traffic Improvements - CR             | 65,000                | 65,000               |
| LG20 | Street Improvements - CR              | 365,000               | 411,300              |
|      | <b>Preventative Maintenance (PM):</b> |                       |                      |
| LG14 | Traffic Improvements - PM             | 119,000               | 119,000              |
| LG15 | Storm Drain Rehabilitation - PM       | 26,000                | 19,700               |
| LG17 | Street Improvements - PM              | 124,000               | 84,000               |
|      |                                       | <b>\$713,000</b>      | <b>\$713,000</b>     |

If the City Council adopts the resolution (**Attachment B**), the plan as outlined in **Attachment B – Exhibit 1** will be forwarded to the SANDAG Board of Directors for approval as a part of Amendment No. 1 to the TransNet Local Street Improvement Program of Projects for Fiscal Years 2019 through 2023. ]

## Conclusion:

Staff recommends that the City Council:

1. Conducts a public hearing;
2. Adopts the resolution (**Attachment B**) approving an amendment to the TransNet Local Street Improvement Program of Projects for Fiscal Years 2019 through 2023, and
3. Directs the City Manager or her designee to amend the City Budget for Fiscal Year 2018-2019, if approved by the SANDAG Board of Directors, to reflect TransNet budget adjustments reflected in Amendment No. 1.

## RESOLUTION NO. 2018 -

### RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEMON GROVE, CALIFORNIA APPROVING AN AMENDMENT TO THE TRANSNET LOCAL STREET IMPROVEMENT PROGRAM OF PROJECTS FOR FISCAL YEARS 2019 THROUGH 2023

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**WHEREAS**, on November 4, 2004, the voters of San Diego County approved the San Diego Transportation Improvement Program Ordinance and Expenditure Plan (*TransNet* Extension Ordinance); and

**WHEREAS**, the *TransNet* Extension Ordinance provides that SANDAG, acting as the Regional Transportation Commission, shall approve on a biennial basis a multi-year program of projects submitted by local jurisdictions identifying those transportation projects eligible to use transportation sales tax (*TransNet*) funds; and

**WHEREAS**, the City of Lemon Grove was provided with an estimate of annual *TransNet* local street improvement revenues for fiscal years 2019 through 2023; and

**WHEREAS**, the City of Lemon Grove approved its 2018 *TransNet* Local Street Improvement Program of Project (POP) on March 20, 2018 and the City of Lemon Grove desires to make adjustments to its Program of Projects; and

**WHEREAS**, the City of Lemon Grove has held a noticed public hearing with an agenda item that clearly identified the proposed amendment (*Exhibit 1*) prior to approval of the projects by its authorized legislative body in accordance with Section 5(A) of the *TransNet* Extension Ordinance and Rule 7 of SANDAG Board Policy No. 31.

**NOW THEREFORE, BE IT RESOLVED** that the City of Lemon Grove requests that SANDAG make the following changes to its 2018 POP (the "Amendment"); and

**BE IT FURTHER RESOLVED** that pursuant to Section 2(C)(1) of the *TransNet* Extension Ordinance, the City of Lemon Grove certifies that no more than 30 percent of its annual revenues shall be spent on local street and road maintenance-related projects as a result of the Amendment.

**BE IT FURTHER RESOLVED** that pursuant to Section 4(E)(3) of the *TransNet* Extension Ordinance, the City of Lemon Grove certifies that all new or changed projects, or major reconstruction projects included in the Amendment and funded by *TransNet* revenues shall accommodate travel by pedestrians and bicyclists, and that any exception to this requirement permitted under the Ordinance and proposed was clearly noticed as part of the City of Lemon Grove's public meeting process for the Amendment.

**BE IT FURTHER RESOLVED** that the City of Lemon Grove does hereby certify that all applicable provision of the *TransNet* Extension Ordinance and SANDAG Board Policy No. 31 have been met.

## Attachment B

**BE IT FURTHER RESOLVED** that the City of Lemon Grove continues to agree to indemnify, hold harmless, and defend SANDAG, the San Diego County Regional Transportation Commission, and all officers and employees thereof against all causes of action or claims related to City of Lemon Grove's TransNet funded projects.

**PASSED AND ADOPTED** by the City of Lemon Grove on the 20<sup>th</sup> day of November, 2018. ]

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# Attachment B – Exhibit 1

**Table 1**  
**2018 Regional Transportation Improvement Program**  
**Amendment No. 1**  
**San Diego Region (in \$000s)**

Lemon Grove, City of

MPO ID: LG15

RTIP #:18-01

Project Title:

Storm Drain Rehabilitation (Preventive Maintenance)

Project Description:

Citywide - improvements or repairs to multiple storm drain facilities such as spot repairs to existing pipes, berms or other diversion devices; attention will be given to the continuous maintenance of Chollas Creek in accordance with the requirements of the National Pollutant Discharge Elimination System (NPDES) permit which involve debris removal, vegetation control, and/or habitat restoration; city staff/consultant to inventory storm drain system and input into GIS; condition assessment, repair options and strategy report to follow

Change Reason:

Reduce funding

Capacity Status:

NCI

Exempt Category:

Other - Plantings, landscaping, etc

TransNet - LSI: Maint

Est Total Cost: \$895

|                           | TOTAL | PRIOR | 18/19 | 19/20 | 20/21 | 21/22 | 22/23 | PE   | RW | CON   |
|---------------------------|-------|-------|-------|-------|-------|-------|-------|------|----|-------|
| TransNet - LSI            | \$359 | \$220 | \$20  | \$26  | \$26  | \$26  | \$41  |      |    | \$359 |
| TransNet - LSI Carry Over | \$286 | \$257 | \$28  |       |       |       |       | \$27 |    | \$259 |
| Local Funds               | \$250 |       | \$250 |       |       |       |       |      |    | \$250 |
| TOTAL                     | \$895 | \$477 | \$298 | \$26  | \$26  | \$26  | \$41  | \$27 |    | \$868 |

PROJECT LAST AMENDED 18-00

|                           | TOTAL | PRIOR | 18/19 | 19/20 | 20/21 | 21/22 | 22/23 | PE   | RW | CON   |
|---------------------------|-------|-------|-------|-------|-------|-------|-------|------|----|-------|
| TransNet - LSI            | \$365 | \$220 | \$26  | \$26  | \$26  | \$26  | \$41  |      |    | \$365 |
| TransNet - LSI Carry Over | \$286 | \$257 | \$28  |       |       |       |       | \$27 |    | \$259 |
| Local Funds               | \$250 |       | \$250 |       |       |       |       |      |    | \$250 |
| TOTAL                     | \$901 | \$477 | \$304 | \$26  | \$26  | \$26  | \$41  | \$27 |    | \$874 |

| MPO ID: LG17               |         |   |       |       |       |       |       | RTIP #:18-01          |    |         |  |
|----------------------------|---------|---|-------|-------|-------|-------|-------|-----------------------|----|---------|--|
| Project Title:             |         | Street Improvements (Preventive Maintenance)  |       |       |       |       |       | TransNet - LSI: Maint |    |         |  |
| Project Description:       |         | Citywide - maintain city streets and fund costs to survey all streets as part of the pavement management system |       |       |       |       |       |                       |    |         |  |
| Change Reason:             |         | Reduce funding  |       |       |       |       |       |                       |    |         |  |
| Capacity Status:           |         | NCI Exempt Category:Safety - Pavement resurfacing and/or rehabilitation   |       |       |       |       |       |                       |    |         |  |
| Est Total Cost: \$1,291    |         |   |       |       |       |       |       |                       |    |         |  |
|                            | TOTAL   | PRIOR   | 18/19 | 19/20 | 20/21 | 21/22 | 22/23 | PE                    | RW | CON     |  |
| TransNet - LSI             | \$1,094 | \$412   | \$84  | \$148 | \$150 | \$150 | \$150 | \$15                  |    | \$1,079 |  |
| TransNet - LSI Carry Over  | \$197   | \$101   | \$95  |       |       |       |       |                       |    | \$197   |  |
| TOTAL                      | \$1,291 | \$513   | \$179 | \$148 | \$150 | \$150 | \$150 | \$15                  |    | \$1,276 |  |
| PROJECT LAST AMENDED 18-00 |         |   |       |       |       |       |       |                       |    |         |  |
|                            | TOTAL   | PRIOR   | 18/19 | 19/20 | 20/21 | 21/22 | 22/23 | PE                    | RW | CON     |  |
| TransNet - LSI             | \$1,134 | \$412   | \$124 | \$148 | \$150 | \$150 | \$150 | \$15                  |    | \$1,119 |  |
| TransNet - LSI Carry Over  | \$197   | \$101   | \$95  |       |       |       |       |                       |    | \$197   |  |
| TOTAL                      | \$1,331 | \$513   | \$219 | \$148 | \$150 | \$150 | \$150 | \$15                  |    | \$1,316 |  |

\*\* Pending final SANDAG approval

# Attachment B – Exhibit 1

## 2018 Regional Transportation Improvement Program Amendment No. 1 San Diego Region (in \$000s)

Lemon Grove, City of

MPO ID: LG20

RTIP #:18-01

Project Title: Street Improvements (Congestion Relief - Non CI)

TransNet - LSI: CR

Project Description: Citywide - this project involves roadway rehabilitation (grinding and overlay, new structural pavement, or new overlay 1-inch thick or greater) of several streets within the city. Streets were prioritized for work based on levels of deterioration identified in the Pavement Management System; Sidewalk Rehabilitation: this annual project adds sidewalks, widens sidewalks, removes and/or replaces various sidewalk locations and installs Americans with Disabilities Act (ADA) compliant curb ramps throughout the city; Street Improvements: this as needed project would widen or install curb/gutter, sidewalk, curb ramps

Change Reason: Increase funding

Capacity Status:NCI

Exempt Category:Safety - Pavement resurfacing and/or rehabilitation

Est Total Cost: **\$6,635**

|                            | TOTAL          | PRIOR          | 18/19          | 19/20        | 20/21        | 21/22        | 22/23        | PE          | RW | CON            |
|----------------------------|----------------|----------------|----------------|--------------|--------------|--------------|--------------|-------------|----|----------------|
| TransNet - LSI             | \$2,259        | \$387          | \$411          | \$365        | \$365        | \$365        | \$365        |             |    | \$2,259        |
| TransNet - LSI (Cash)      | \$147          | \$147          |                |              |              |              |              |             |    | \$147          |
| TransNet - LSI Carry Over  | \$2,282        | \$1,324        | \$957          |              |              |              |              | \$61        |    | \$2,221        |
| Local Funds                | \$1,947        | \$153          | \$194          | \$250        | \$400        | \$450        | \$500        |             |    | \$1,947        |
| <b>TOTAL</b>               | <b>\$6,635</b> | <b>\$2,011</b> | <b>\$1,562</b> | <b>\$615</b> | <b>\$765</b> | <b>\$815</b> | <b>\$865</b> | <b>\$61</b> |    | <b>\$6,574</b> |
| PROJECT LAST AMENDED 18-00 |                |                |                |              |              |              |              |             |    |                |
|                            | TOTAL          | PRIOR          | 18/19          | 19/20        | 20/21        | 21/22        | 22/23        | PE          | RW | CON            |
| TransNet - LSI             | \$2,212        | \$387          | \$365          | \$365        | \$365        | \$365        | \$365        |             |    | \$2,212        |
| TransNet - LSI (Cash)      | \$147          | \$147          |                |              |              |              |              |             |    | \$147          |
| TransNet - LSI Carry Over  | \$2,282        | \$1,324        | \$957          |              |              |              |              | \$61        |    | \$2,221        |
| Local Funds                | \$1,947        | \$153          | \$194          | \$250        | \$400        | \$450        | \$500        |             |    | \$1,947        |
| <b>TOTAL</b>               | <b>\$6,588</b> | <b>\$2,011</b> | <b>\$1,516</b> | <b>\$615</b> | <b>\$765</b> | <b>\$815</b> | <b>\$865</b> | <b>\$61</b> |    | <b>\$6,527</b> |

\*\* Pending final SANDAG approval



# Attachment B – Exhibit 1

## 2018 Regional Transportation Improvement Program Amendment No. 1 San Diego Region (in \$000s)

### RTIP Fund Types

|                                |  |
|--------------------------------|--|
| <b><u>Local Funding</u></b>    |  |
| Local Funds AC                 | Local Funds - Advanced Construction; mechanism to advance local funds to be reimbursed at a later fiscal year with federal/state funds |
| <i>TransNet-LSI</i>            | Prop. A Extension Local Transportation Sales Tax - Local System Improvements   |
| <i>TransNet-LSI Carry Over</i> | TransNet - LSI funds previously programmed but not requested/paid in year of allocation  |
| <i>TransNet-LSI (Cash)</i>     | TransNet - LSI funds which agencies have received payment, but have not spent  |

\*\* Pending final SANDAG approval



